

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

ARIZONA ENERGY PARTNERS, LLC

602 487 6486

Address

City

State

Phone Number

2999 NORTH 44TH STREET, SUITE 620 PHOENIX AZ 85018

Drilling Contractor

AEP DRILLING, LLC

Address

2999 NORTH 44TH STREET, SUITE 620 PHOENIX AZ 85018

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

ASLD 13-117191

Well number

16-1

Elevation (ground)

5528'

Nearest distance from proposed location to property or lease line:

723 feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

NONE

feet

Number of acres in lease

640.00

Number of wells on lease, including this well, completed in or drilling to this reservoir:

1

If lease purchased with one or more wells drilled, from whom purchased.

N/A

Name

Address

Well location (give footage from section lines)

1402' ENL + 723' FEL

Section - Township - Range or Block and Survey

S16 - T14N - R25E G4SRM

Dedication per A.A.G. R12-7-104(A)(3)

Field and reservoir (if wildcat, so state)

WILDCAT

County

APACHE

Distance in miles and direction from nearest town or post office

FROM CONCHO AZ N28° W 10.75 MILES

Proposed depth:

4,000'

Rotary or cable tools

ROTARY

Approximate date work will start

MAY 15, 2015

Bond status

ON FILE

Organization Report

Filing Fee of \$25.00

Amount

\$25,000

On file

X

Or attached

Attached

YES

Remarks

API 02-001-20505

LTF#65814

PLACE ID# 150831 AGENT# 90908

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: MANAGER / PRESIDENT of the ARIZONA ENERGY PARTNERS LLC (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Mail completed form to:

Oil and Gas Program Administrator
Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, AZ 85007

e-mail completed form to: ogcc@azdeq.gov

Signature

[Signature]
APRIL 10, 2017

Date

Permit / LTF No.:

1215 / #65814

Approval Date:

4/18/2017

Approved By:

[Signature]

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

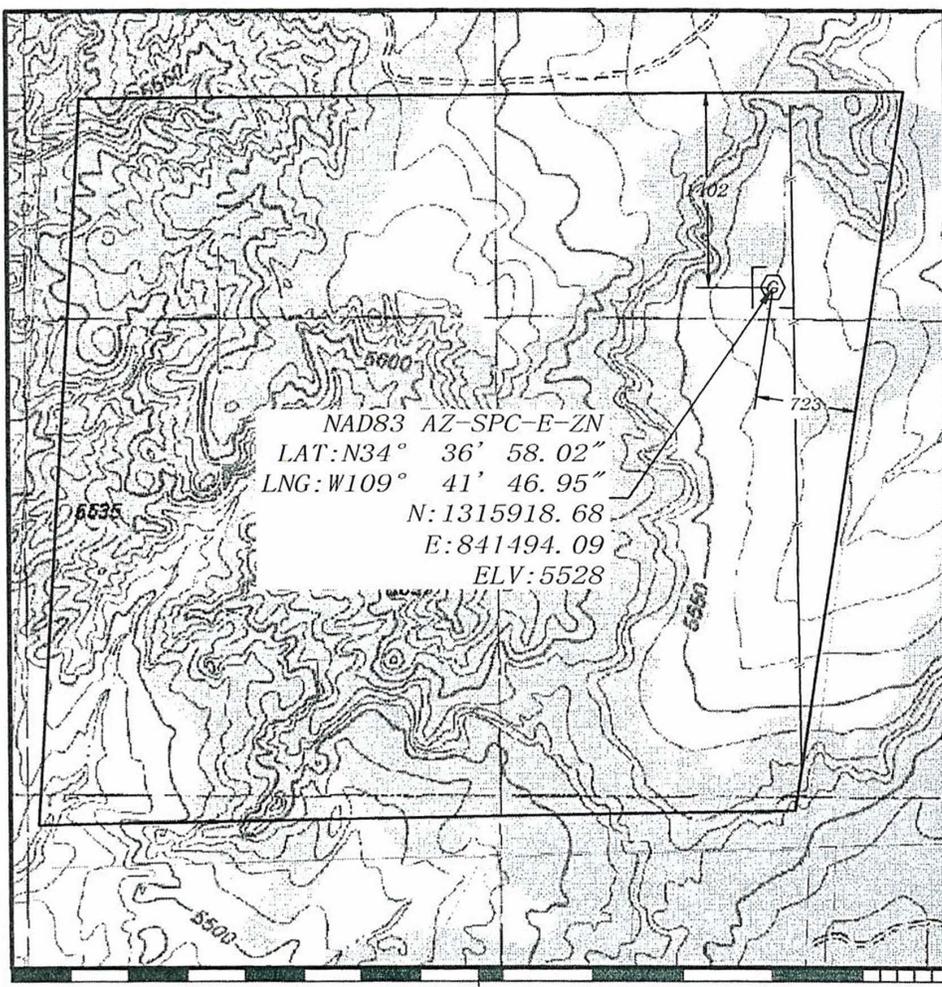
**STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter

File two copies: one by mail, one electronically

Form No. 3

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below ? YES NO
- If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise?
YES NO If answer is yes, give type of consolidation _____
- If the answer to question four is no, list all the owners and their respective interests below:

Owner ARIZONA ENERGY PARTNERS, LLC	Land Description SE1/4 NE1/4 S. 16 T14NR25E G&SRM APACHE CO.
 <p style="font-size: small;"> NAD83 AZ-SPC-E-ZN LAT: N34° 36' 58.02" LNG: W109° 41' 46.95" N: 1315918.68 E: 841494.09 ELV: 5528 </p>	<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p>GORDON LEBLANC, JR.</p> <p>Name MANAGER / PRESIDENT</p> <p>Position ARIZONA ENERGY</p> <p>Company PARTNERS, LLC</p> <p>Date MARCH 14, 2017</p>
	<p>I hereby certify that the location shown on the plat is the location of actual surface by me or my supervising surveyor and correct to the best of my knowledge and belief.</p> <div style="text-align: center;">  <p>DANIEL R. MUTH</p> <p>ARIZONA USA</p> </div> <p>Date Surveyed 02/16/2017</p> <p>Registered Land Surveyor</p> <p>Daniel R. Muth PLS</p> <p>Certificate No. Az RLS No. 31028</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
8 5/8	36 #	L40	0	90	0-90	80	STO
7	23 #	>SS	0	705	0-705	110	TX1
4 1/2	11.6 #	L80	0	4000	0-4000	625	TX1

ARIZONA OIL and GAS CONSERVATION COMMISSION



State of Arizona
Oil and Gas Conservation Commission

1110 W. Washington Street, Phoenix, AZ 85007

602-771-4501

www.azogcc.az.gov

Dennis L. Turner, Oil and Gas Administrator

Commissioners:
Frank Thorwald, Chair
Robert L. Wagner, Vice Chair
Stephen R. Cooper
William C. Feyerabend
J. Dale Nations, Ph.D.

**CERTIFICATE for PERMIT to DRILL an
OIL, GAS, INJECTION or GEOTHERMAL WELL**
PERMIT / LTF NUMBER 1215/ LTE 65814

Has been issued to **Arizona Energy Partners, LLC (AEP)**

to drill a well known as **AEP 16-1 (State 13-117191)**

located **1402 FNL 723 FEL**

located in Section **16** Township **14N** Range **25E**, **Apache** County, Arizona

The entirety of Sec 16, T14N, R25E (640 acres) of said Section, Township and Range is dedicated to this well.

Said well shall be drilled substantially as described in the Application and as approved by the OGCC's letter dated **April 17, 2017**. **Arizona Energy Partners, L.L.C.** is subject to terms and conditions of the permit to drill and all applicable Arizona Revised Statutes (A.R.S.) Title 27, Chap. 4, Art. 1 and 4, and the Arizona Administrative Code (A.A.C.) R12-7-104, R12-7-106 to 107 and R12-7-175 to 176.

API No.: 02-001-20505

Issued: April 18, 2017

Check No. 1064

Expires*: October 15, 2017

*The permit to drill expires if operations are not commenced within 180 days from date of this certificate (see A.A.C R12-7-104(D))

Dennis L. Turner, Oil & Gas Program Administrator

(602)771-4501